

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi [signature]
Chief Financial Officer

DATE: March 19, 2004

SUBJECT: Fiscal Impact Statement: "Housing Production Trust Fund
Continuing Basis Definition Regulatory Amendment Approval
Resolution of 2004"

REFERENCE: Proposed Resolution as Introduced - No Number Available

Conclusion

Funds are sufficient in the FY 2004 through FY 2007 budget and financial plan to implement the proposed resolution. The proposed rules will have no impact on the local General Fund.

Background

The proposed resolution approves final rules governing the use of certain funds from the Housing Production Trust Fund (HPTF). Specifically, the rules implement amendments to the Housing Production Trust Fund Act that were enacted in 2003 as part of D.C. Law 15-39, "The Fiscal Year 2004 Budget Support Act of 2003."¹

The proposed rules clarify the time period that housing developed with funds from HPTF must remain affordable for low income households. Pursuant to D.C. Law 15-39, the rules require that housing units sold to qualified low income households must remain continuously affordable for a period of at least 5 years from the loan settlement date. The rules require rental units to remain affordable for low income households for a period of at least 30 years from the date a Certificate of Occupancy is issued. The rules also clarify that no period of affordability will be attached to housing units where assistance is

¹ Title II, Subtitle C, Continuing Basis Definition Amendment Act of 2003; Effective November 13, 2003.

provided for the rehabilitation of an owner-occupied single-family unit either through the Homestead Housing Preservation Program or another statutory program.

Financial Plan Impact

Funds are sufficient in the FY 2004 through FY 2007 budget and financial plan to implement the proposed resolution. No additional staff or resources will be required to implement the proposed rulemaking.

The proposed resolution will have no impact on the budget and financial plan. The proposed rules regulate the use of certain HPTF funds and do not increase nor decrease resources or expenditures impacting the Fund balance.